

## Message Text

CONFIDENTIAL

PAGE 01 BANGKO 02240 032334Z

66

ACTION EB-07

INFO OCT-01 EA-07 ISO-00 AGR-05 CIAE-00 COME-00 INR-07

LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01 FRB-03

OMB-01 /042 W

----- 034031

R 030810Z FEB 76

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 0000Z

INFO AMEMBASSY MANILA

AMEMBASSY TAIPEI

AMEMBASSY SEOUL

C O N F I D E N T I A L BANGKOK 2240

PASS AGRICULTURE

E.O. 11652: GDS

TAGS: EAGR, TH

SUBJECT: COTTON CONTRACT PROBLEM - SOMBOON TEXTILES LTD

REF: A. TOFAS 09 B. FASTO 01

1. WHEN REPRESENTATIVE OF SOMBOON TEXTILES LTD. CALLED ON AGRICULTURAL ATTACHE ON JANUARY 29, HE DISCUSSED COTTON CONTRACT SETTLEMENT IN GENERAL TERMS (REF A/NOTAL). AGRICULTURAL ATTACHE WAS SURPRISED TO LEARN THAT JAMES LAWRENCE & CO. AND PAN AMERICAN COTTON CO. HAD SETTLED FOR 50 PERCENT OF THE LIVERPOOL ARBITRATION AWARD. SOMBOON REPRESENTATIVE ASKED THAT THIS INFORMATION NOT BE GIVEN TO ACSA OR ACEA.

2. CHARLES HAKIM, JAMES LAWRENCE & CO, IN MEETING WITH AGRICULTURAL ATTACHE ON FEBRUARY 2 CONFIRMED THAT HE HAD SETTLED FOR 50 PERCENT OF THE ARBITRATION AWARD. HAKIM INFORMED AGRICULTURAL ATTACHE THAT THAILAND WAS NOW BEING HANDLED AS SEPARATE AND SPECIAL CASE AND ON DIFFERENT BASIS THAN OTHER COUNTRIES WITH COTTON CONTRACT PROBLEMS. HE ALSO SAID THAT SHIPPERS COULD OBTAIN SPECIAL PERMISSION FROM ACEA TO MAKE  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BANGKO 02240 032334Z

PRIVATE SETTLEMENTS WITH THAI MILLS IF CASE HAD NOT BEEN TURNED

OVER TO ACEA FOR LEGAL ACTION. JAMES LAWRENCE & CO. ESTIMATED THAT LEGAL ACTION WOULD COST ABOUT 50 PERCENT OF FINAL AWARD, SO COMPANY WAS AGREEABLE TO SETTLEMENT.

3. WHILE WE UNDERSTAND LOGIC OF SETTLEMENT, WE WERE SURPRISED AT BREAK IN SOLID NO NEGOTIATION OF PRICE STAND PREVIOUSLY TAKEN BY ACSA AND ACEA. THAI TEXTILE INDUSTRY IS CLOSE KNIT, OVER-LAPPING OWNERSHIP INDUSTRY AND TERMS OF SETTLEMENT WILL BECOME COMMON KNOWLEDGE IN VERY SHORT TIME. WE ANTICIPATE OTHER MILLS, THAT MAY BE CONTEMPLATING SETTLEMENT, WILL USE THIS INFORMATION WHEN NEGOTIATING WITH SHIPPERS OR ACEA LAWYER IN SETTLEMENT OF REMAINING COTTON CONTRACT DEFAULTS.  
WHITEHOUSE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, COTTON, ARBITRATION, CONTRACTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976BANGKO02240  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760041-0232  
**From:** BANGKOK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760289/aaaadamq.tel  
**Line Count:** 74  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 MAY 2004 by ellisoob>; APPROVED <07 SEP 2004 by ElyME>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COTTON CONTRACT PROBLEM - SOMBOON TEXTILES LTD  
**TAGS:** EAGR, TH, SOMBOON TEXTILES LTD, ACEA, ACSA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006